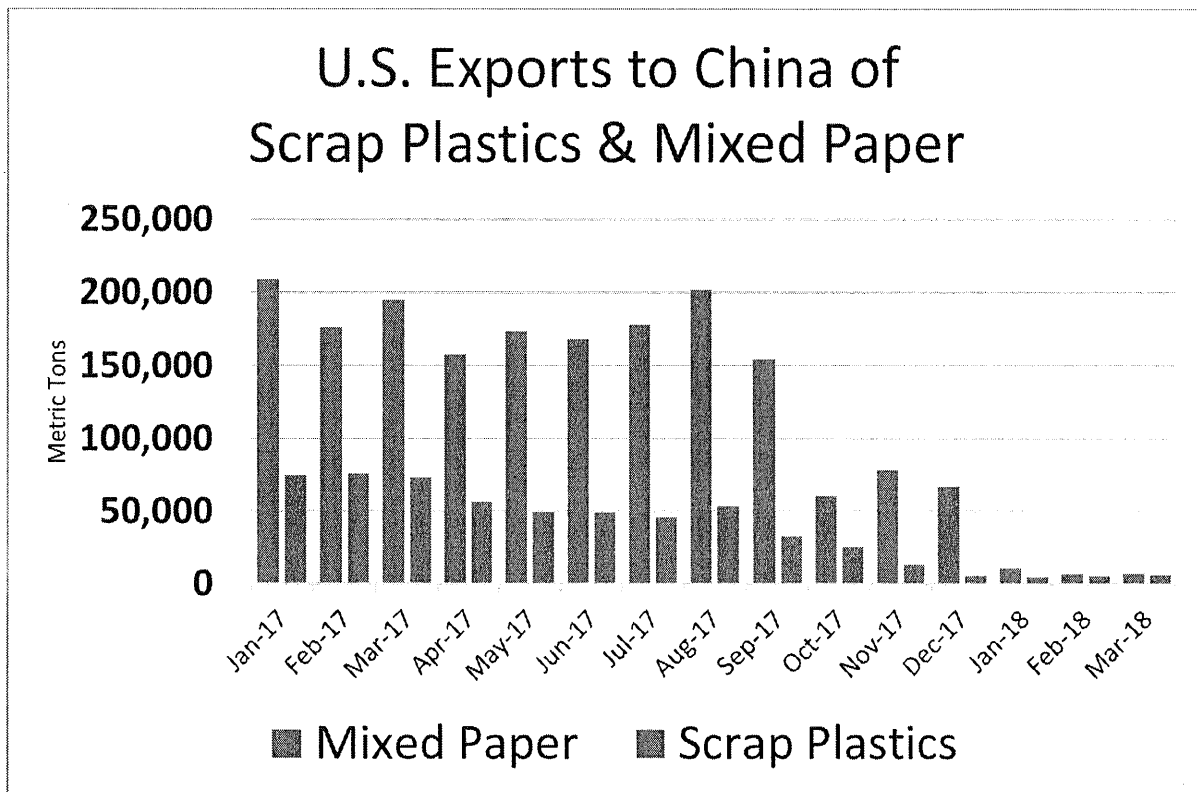


June 12, 2018

RE: Update on China Waste Import Restrictions and Impacts on State and Local Recycling Programs

In Fall 2017, the Solid Waste Association of North America (SWANA) provided you and your agency with important information concerning China’s proposed waste import restrictions and their potential implications for state and local recycling programs and operations. Now that China has implemented the restrictions and recycling programs are being affected in many parts of the country, SWANA is providing an update so you can be informed about the latest developments and participate in upcoming events that will help you and recycling stakeholders in your state respond to the situation.

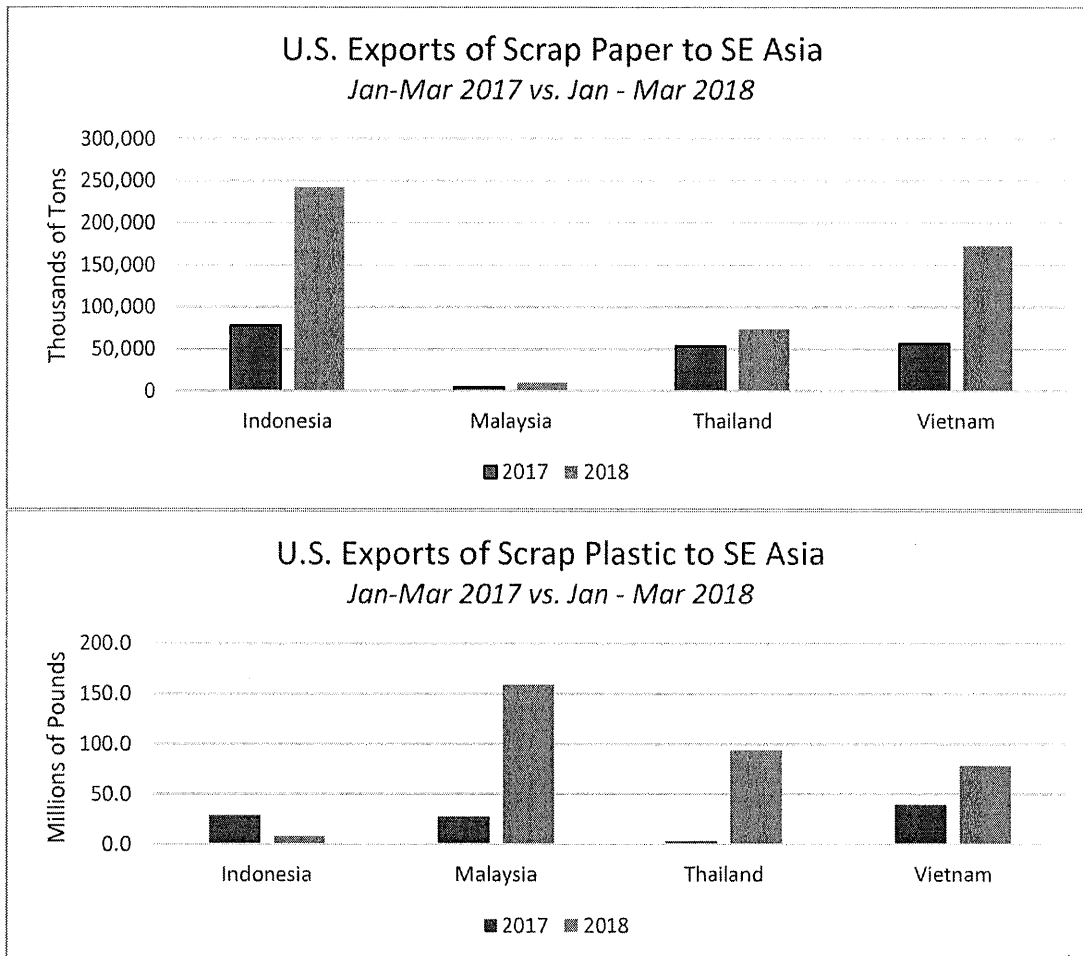
In January 2018, China’s ban on 24 categories of scrap and recyclables took effect, and in March 2018, the 0.5 percent contamination (“carried waste”) standard was implemented. These actions have caused a dramatic decline in the amount of scrap and recyclables exported from the United States to China.



Data from U.S. Census Bureau/U.S. International Trade Commission courtesy of ISRI

As a result, other countries, primarily in Asia, have increased their import of these materials from the United States and other countries. In recent months, several of these countries, particularly Vietnam and Indonesia, have announced measures to reduce the flow of recyclables into their ports. In May, Vietnam advised that it would not accept imported containers of plastic from other ports from June 25 to October

15, due to the overwhelming volume of material being received. Indonesia recently announced that it has started pre-shipment inspection of all fiber imports. These actions, in tandem with the temporary suspension of China's pre-shipment inspections of material originating in the United States (which ended on June 4), has significantly disrupted commodity markets and the international movement of scrap and recyclables.



Source: U.S. Census Bureau/Resource Recycling, Inc.

SWANA has taken aggressive steps to respond to these disruptions. Earlier this year, SWANA established a Recycling Task Force (RTF) consisting of industry and municipal leaders from the United States and Canada to help guide our response. The RTF, which has held several conference calls, has prioritized: (1) identifying best practices for reducing contamination of curbside recyclables; (2) creating demand for recycled content; and (3) calling on Congress to include support for recycling in the Infrastructure bill. SWANA staff has met with congressional staff in the U.S. Senate and House of Representatives concerning the third priority, and additional meetings are being scheduled.

SWANA is working with other recycling stakeholders to amplify our messages and concerns. A group of associations and organizations met this Spring to collaborate on improving the quality of the recycling stream and address the challenges posed by China's waste import restrictions, and a follow-up meeting will occur at WASTECON® in Nashville, Tennessee. A similar group, whose membership overlaps

somewhat with the group identified above, submitted a letter in April 2018 to the congressional leadership urging inclusion of recycling-related funding in the Infrastructure bill. SWANA is a leading and active participant in both groups. We encourage state officials to support these efforts, and to let us know of what steps you take to do so.

If you would like additional background information about this issue, please visit SWANA's China Waste Import Restrictions webpage where you can find copies of the earlier letters we sent to state agencies, as well as other resources that help explain the topic further. In particular, check out the infographic "U.S. Recycling: Building America's infrastructure through sustainability" that explains how investments in recycling infrastructure helps to create jobs and encourage economic growth domestically.

SWANA is also providing education on the impact of the Chinese waste import restrictions at online and in-person events. This subject was included in numerous SWANA chapter conferences and events earlier this Spring, and SWANA will be holding a webinar on June 28th at 1:45pm EDT exploring how the recycling landscape has changed and what state and local officials need to do to maintain sustainable recycling programs. We hope you will join us for this timely discussion.

We are also holding a MRF Summit at WASTECON in Nashville, Tennessee on August 22-23. We are partnering with the Institute of Scrap Recycling Industries (ISRI) to develop this event, which is intended to bring together state/local government officials, recycling industry leaders, consumer brand owners, and others to review the changing market for recyclables and potential solutions to current challenges.

The MRF Summit provides a unique opportunity for all recycling stakeholders to gather to discuss these issues and establish productive working relationships for the future.

Finally, the China/recycling issue is receiving increasing media attention throughout the United States and Canada as it affects recycling programs and systems from coast to coast. Examples of some of these articles are below:

- *Boston Globe*
<https://www.bostonglobe.com/metro/2018/06/04/new-china-policies-spark-disarray-region-recycling-industry/d9QH2JUtnVqRkaAL8kMkil/story.html>
- *Cleveland Plain Dealer*
https://www.cleveland.com/metro/index.ssf/2018/06/recycling_were_doing_it_wrong.html
- *Montreal La Presse*
<http://www.lapresse.ca/environnement/politique-verte/201805/29/01-5183741-quebec-a-la-recherche-de-solutions-a-la-crise-du-recyclage.php>
- *New York Times*
<https://www.nytimes.com/2018/05/29/climate/recycling-landfills-plastic-papers.html>
- *Texas Monitor*
<https://texasmonitor.org/chinas-recycling-suspension-reverberates-throughout-texas/>
- *Wall Street Journal*
<https://www.wsj.com/articles/recycling-once-embraced-by-businesses-and-environmentalists-now-under-siege-1526209200>

We continue to monitor developments domestically and overseas, and will provide additional information as warranted. SWANA remains committed to recycling and resource management, and working with

members and partners at the local, state, and federal levels to improve and expand recycling programs in the United States. If you have any questions, please feel free to contact me at dbiderman@swana.org or 240-494-2254.

Sincerely,

A handwritten signature in black ink that reads "David Biderman". The signature is written in a cursive style with a long horizontal flourish extending to the right.

David Biderman
Executive Director & CEO
Solid Waste Association of North America